

MIKE CAUSEY

THE FEDERAL DIARY

Congress May Postpone White-Collar Pay Cut

The upcoming October pay cut for white-collar federal workers may be put off until January, if Congress can get its act together within the next two weeks.

Just about everybody who is anybody, in Congress and the administration, thinks that it is dirty pool to give the feds a pay cut in October, when they normally get pay raises. They would like to delay the cut until employees get raises that will more than offset the cuts.

White-collar workers are scheduled to get raises of either 3.5 percent or 4 percent in January. This should add about \$40 to the biweekly paycheck of the typical employee.

Earlier this week Rep. Bill Ford (D-Mich.), chairman of the House Post Office and Civil Service Committee, introduced a bill that would defer the bookkeeping change Congress approved last year until January, when feds are due a regular pay raise. The bill is H.R. 3871.

Ford was joined by Rep. Gene Taylor of Missouri, the committee's ranking Republican. Most other committee members are cosponsoring the bill.

On the Senate side, Ted Stevens of Alaska says that he will put the pay deferral language into the budget reconciliation package, unless the House bill can be approved sooner. The White House also has urged Congress to defer the pay cut until January.

The pending cut is the result of a money-saving proposal that Congress okayed last year. Designed to run for two years and save \$240 million, the short-changing would be accomplished by calculating employee pay rates on the basis of a 2,087-hour work year instead of the present 2,080-hour formula.

That seemingly innocent change would cost the average employee about \$3.20 per paycheck, and much more than that for top-paid employees.

If the pay cut delay is passed in time, the government would begin the new payroll system in January and return to the 2,080-hour formula in January 1986.

If Congress fails to act in time, the cuts will go into effect Oct. 1 and remain in force until October 1985.

Whenever it starts, federal officials say that the bookkeeping change will not have any impact on the way employees earn sick leave or annual leave, nor will it affect their service computation time for retirement purposes.